

## County of Los Angeles CHIEF EXECUTIVE OFFICE

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August 27, 2014

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From:

Chief Executive Officer

## **SACRAMENTO UPDATE**

## **Executive Summary**

This memorandum contains reports on the following:

- Pursuit of County Position to Support AB 1614 (Stone). This measure would require recipients of the CalWORKs Program to be informed of various information provided by the California Department of Social Services, including the methods of electronic delivery of benefits available, and the applicable charges, fees, or surcharges associated with the Electronic Benefits Transfer system. Therefore, unless otherwise directed by the Board, consistent with existing policy to support legislation to restrict the imposition of any transaction fees or surcharges for the use of Electronic Benefit Transfer cards within California and support proposals that provide access to financial literacy services, the Sacramento advocates will support AB 1614.
- Pursuit of County Position to Support SB 1376 (Gaines). This measure would allow counties to contract with any public or private correctional facilities for jail space. Therefore, unless otherwise directed by the Board, consistent with the Board's instructions to seek legislation that allows counties to explore contracting with private facilities to meet the County's public safety needs, the Sacramento advocates will support SB 1376.

"To Enrich Lives Through Effective And Caring Service"

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## Pursuit of County Position on Legislation

**AB 1614 (Stone)**, which as amended on August 22, 2014, would require counties to inform recipients of the CalWORKs Program of various information provided by the California Department of Social Services (CDSS), including the methods of electronic delivery of benefits available and the applicable charges, fees, or surcharges associated with the Electronic Benefits Transfer (EBT) system, and how to withdraw benefits without incurring these, among other provisions.

Under current law, the California Department of Social Services administers the statewide EBT system for the distribution and use of public assistance benefits, including CalWORKs, and EBT access is required to be provided through automated teller machines (ATMs), point-of-sale devices, and other devices. In addition, current law requires that the EBT system have a 24-hour toll-free telephone hotline to report lost or stolen cards. Existing law also requires each county to make an agreement with one or more financial institutions, as specified, and requires counties to provide direct deposit by electronic fund transfer of payments to any beneficiary who authorizes the direct deposit of benefits into a qualifying account.

Specifically, AB 1614 would: 1) require the current 24-hour toll-free telephone hotline to provide recipients, at no additional cost, specified information and to allow an authorized representative, or head of household, to access or request transaction history detail; and 2) require a county human services agency to make available to an authorized representative, or head of household, all available EBT history details within 10 business days after received request.

The Department of Public Social Services (DPSS) indicates that AB 1614 would provide CalWORKs participants access to additional information needed to better manage and retain more of their benefits, including how to minimize or avoid fees. Ensuring that participants are educated to make the best financial decisions for their families is paramount. DPSS indicates that requirements under AB 1614 are fulfilled in its current practices. Additionally, DPSS is currently collaborating with the Department of Consumer Affairs to make Financial Literacy training available to DPSS eligibility staff to assist participants.

This office and the Department of Public Social Services support AB 1614. Therefore, unless otherwise directed by the Board, consistent with existing policy to support legislation to restrict the imposition of any transaction fees or surcharges for the use of Electronic Benefit Transfer cards within California and support proposals that provide access to financial literacy services, **the Sacramento advocates will support AB 1614.** 

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AB 1614 is co-sponsored by the California Reinvestment Coalition and Western Center on Law and Poverty, and supported by the County Welfare Directors Association; California Food Policy Advocates; California Partnership; California WIC Association; Hunger Action Los Angeles; Alameda County Board of Supervisors President; American Federation of State, County and Municipal Employees (AFSCME), among others. There is no registered opposition to this measure.

AB 1614 passed the Senate Floor by a vote of 35 to 0 on August 26, 2014. This measure now returns to the Assembly for concurrence of Senate amendments. Once approved by the Assembly, AB 1614 will proceed to the Governor.

**SB 1376 (Gaines),** which as amended on August 21, 2014, would allow counties to contract with any public or private correctional facilities system in the United States to house inmates sentenced to county jail.

Existing law authorizes a sheriff, if facilities are no longer available in the county jail due to crowding, to transfer a person committed to a county jail to facilities that are available in the city jail.

SB 1376 would authorize the sheriff of a county to contract with any state, county, or private jail or prison system in the United States to house inmates on behalf of the county and to transfer inmates to those facilities, with or without the inmate's permission. The bill would require the State Department of Corrections and Rehabilitation to pay for the actual cost of housing and transporting transferred inmates. SB 1376 is an urgency measure and would take effect immediately upon enactment.

This measure is similar to **County-sponsored AB 2534 (Dababneh)**, which as introduced on February 21, 2014, would have authorized the Los Angeles County Board of Supervisors, upon agreement with the Sheriff, to enter into contracts with private community correctional facilities to house inmates sentenced to county jail. AB 2534 failed in the Assembly.

Therefore, unless otherwise directed by the Board, consistent with the Board's action of January 14, 2014, instructing the Chief Executive Officer to seek legislation that allows counties to explore contracting with private facilities to meet the County's public safety needs, the Sacramento advocates will support SB 1376.

There currently is no registered support on file for SB 1376. This measure is opposed by: the Association for Los Angeles Deputy Sheriffs; California Fraternal Order of Police; Long Beach Police Officers Association; Los Angeles Deputy Probation Officers Union, AFSCME #685; Los Angeles County Professional Peace Officers Association;

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Los Angeles Police Protective League; Riverside Sheriff Association; Sacramento County Deputy Sheriffs Association; and Santa Ana Police Officers Association.

This measure is currently pending in the Senate Rules Committee.

We will continue to keep you advised.

WTF:RA MR:OR:PC:ma

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants